

MATERIALS FROM WORKSHOP BY
FLORIDA SENATE COMMITTEE ON
FINANCE AND TAXATION

Application of Tourist Taxes to the On-line Sale of Hotel Rooms

The sale of discounted hotel rooms over the Internet by such organizations as Priceline.com and Expedia.com has sky rocketed over the past several years. These on-line remarketers contract with hotels to pay discounted rates for hotel rooms that are then sold over the Internet to the remarketers' customers at higher prices. Under current practices, state and local sales tax and local tourist taxes are collected and remitted by the hotels on the rates paid by the on-line marketer to the hotels on the discounted room rate and not on the higher amounts actually paid by the customer. As a result, state and local governments are losing both sales tax and tourist tax revenues on the markup.

There are four local option taxes which impose additional levies only on transient rentals (hotel room rentals and any rental of living quarters for a time period of 6 months or less). These taxes are:

- Tourist Development Tax - imposes a tax on transient rentals at a maximum rate of 5 percent. All counties are eligible to impose the tourist development tax. As of January 1, 2004, 53 counties levied tourist development taxes.¹
- Tourist Impact Tax – a 1 percent tax restricted to areas of critical state concern. Only Monroe County imposes the tourist impact tax.²
- Convention Development Tax - imposes a tax on transient rentals at the maximum rate of 3 percent. The convention development tax is limited to Miami-Dade County, Duval County and Volusia County.³
- Municipal Resort Tax – authorized and levied in just three cities, Miami Beach, Bal Harbour, and Surfside, at the maximum rate of 4 percent on transient rentals.⁴ No other tourist development taxes may be imposed in municipalities levying the municipal resort tax.

In addition, transient rentals are subject to the state sales and use tax and all other local option surtaxes.⁵

Total tourist tax revenue collections in fiscal year 2001-02 were \$342.0 million.⁶

¹ Section 125.0104, F.S.

² Section 125.0108, F.S.

³ Section 212.0305, F.S.

⁴ Chapters 67-930, 82-142, 83.363, 93.286 and 93.233, L.O.F.

⁵ Sections 212.03, 212.054 and 212.055, F.S.

⁶ Source: DOR, Office of Research and Analysis

HOTEL RESELLER PROPOSAL CONCEPT SUMMARY

Purpose of the Proposed Legislation

The purpose of the legislation is to clarify the appropriate tax treatment of transactions in which one party (referred to herein as the “reseller”) pays a hotel a discounted price for a room that the reseller markets to a consumer (guest) at a marked up price.

Goals

The legislation should accomplish the following goals:

- Level the competitive playing field
- Protect those who agree to prospective compliance against exposure for past liability
- Minimize the administrative burden for existing and newly registered taxpayers
- Preserve the existing treatment of vacation packages while preventing its use to avoid liability inappropriately

Tax Base

The tax base is the total consideration paid for the room by the guest to the reseller, including any administrative fee or other fee that must be paid as a condition of use of the room. This amount is referred to as the “total rate.”

Single Registration

Resellers would be required to file a single registration application with the Department of Revenue. Separate registrations for each county or for each hotel location would not be required.

Consolidated Reporting and Payment

Reporting and payment would be on a consolidated basis to the Department of Revenue. The reporting would contain information to permit the Department of Revenue to distribute local tourist taxes to the proper jurisdictions.

Audit Authority

Audit authority would be based on the communications services tax model. Resellers would be subject to audit by local governments that self administer tourist taxes only if the reseller’s Florida activity was limited to a single county. In all other cases, audit authority would rest with the Department of Revenue. Local governments would be authorized to submit requests to the Department to investigate a company when warranted by specific information or evidence.

Remittance Options

The legislation would provide that a reseller must select and consistently use one of the following methods for remitting the tax.

- Under a dual remittance system, the reseller would collect tax from the guest on the total rate, remit tax to the hotel on the discounted rate the hotel charges the reseller for the room, and remit tax on the markup (the total rate paid by the guest minus the discounted rate paid by the reseller to the hotel) to the Department of Revenue. The hotel would remit the tax on the discounted room rate to the Department of Revenue.

- Under a “hotel-only” single remittance system, the reseller would disclose the total rate to the hotel and remit tax on the total rate to the hotel. The hotel would be held harmless except for its obligation to report and remit the total tax collected.

Timing of Remittances

- Under a dual remittance system, the hotel would remit tax by the 20th day of the month following the reseller’s payment of the discounted rate to the hotel. The reseller would remit tax on the markup by the 20th day of the month following payment to the reseller by the guest of the total rate.
- Under a hotel-only single remittance system, the hotel would remit tax by the 20th day of the month following the reseller’s payment to the hotel of the discount rate plus tax on the total rate.

Vacation Packages

The existing treatment for vacation packages would be retained. The vacation package provision in section 212.04, F.S., would be amended to clarify that to qualify as a “travel agent” entitled to take advantage of the provision, a person would have to be a “seller of travel” as described in section 559.927, F.S., and would have to be registered with the Department of Agriculture and Consumer Services as provided in Chapter 559 or be able to document an exemption from the registration requirements.

Documentation Requirements

- Under a dual remittance system, the reseller must have a certificate of registration from the Department of Revenue.
- A seller of vacation packages would be required to have its registration certificate or proof of exemption from registration with the Department of Agriculture and Consumer Services under Chapter 559. For audit purposes, a seller of vacation packages would also need to maintain records documenting the prices paid for package components, the taxes paid to the sellers of those components, and the sale of packages that included those components without stating a separate price for them.
- If a reseller does not hold a certificate to establish status as either a registered dealer with the Department of Revenue or a seller of travel, the single-remittance system would apply. The reseller would be required to report total room rates and remit tax on the total room rentals to the hotel, which would be required to maintain those records to verify that that the hotel did report and remit all taxes in accordance with the reseller’s representations to the hotel. If a reseller that has a contractual arrangement with a hotel failed to meet its disclosure and remittance obligations under the single-remittance system, the hotel would be required to collect and remit tax on the lesser of 135% of the discounted room rate or the discounted room rate plus the maximum percentage markup permitted under the contract, if any.

Collection Allowance

Alternative 1: Businesses collecting and remitting taxes under the proposal would receive the standard collection allowance permitted to dealers.

Alternative 2: Businesses collecting and remitting taxes under the proposal would receive a collection allowance of ___% of the tax reported and remitted rather than the standard collection allowance.

Alternative 3: For a period of one year after the effective date of the act, businesses collecting and remitting taxes under the proposal would receive a collection allowance of ___% of the tax reported and remitted to compensate for the expenses of converting existing procedures and systems. Beginning one year after the effective date of the bill, the collection allowance would revert to the standard allowance.

Remedial Clarification

The bill would provide that it is remedial and clarifies existing law.

Amnesty

The bill would provide that any reseller that registers and agrees to prospective compliance by a specified date would be held harmless for any past liability for tax on the markup over the rental paid to the hotel. Any tax already collected would have to be remitted. No refunds would be made of taxes that have already been remitted.

Summary of Proposed Legislation

The purpose of the proposed legislation is to clarify the appropriate tax treatment of transactions in which an on-line remarketer of hotel rooms pays a hotel a discounted rate for a room that the remarketer then sells to a customer at a marked-up price.

	Current Application	Proposed Application
Example of Tourist Taxes Paid at 13% Tax Rate ¹	Discount rate: \$100 Markup: <u>50</u> Total rate: \$150 Tax remitted on discount rate to hotel/DOR <u>\$13</u>	Discount rate: \$100 Markup: <u>50</u> Total rate: \$150 Tax remitted on total rate to DOR <u>\$19.50</u>
Tax Base	Remarketer pays tax on the discounted rate ² of the hotel room	Remarketer pays tax on the total rent ³ paid by the customer to the remarketer for the hotel room
Remittance of Tax	Hotel remits state tax to DOR paid by the remarketer to the hotel on the discounted rate of the hotel room. Hotel remits local tourist taxes either to DOR or county, depending on whether county self-administers	1. <u>Dual Remittance</u> : Remarketer collects tax from the customer on the total rate, remits tax to DOR on the markup ⁴ & remits the discount rate plus tax to the hotel; hotel remits tax on the discounted rate to DOR; or 2. <u>Hotel-only Remittance</u> : Remarketer would disclose the total rate to the hotel and remit tax on the total rate to the hotel with payment of the discounted rate ⁵ ; hotel remits tax on the total rate to DOR and self-administering counties
Registration Required	N/A	1. <u>Dual Remittance</u> : Yes, either as sales tax dealer or seller of vacation packages ⁶ 2. <u>Hotel-only Remittance</u> : No
Single Registration	N/A	Yes. Separate registration for each county or for each hotel not required
Reporting and Payment	N/A	Consolidated return. Reporting would contain information to permit DOR to distribute local tourist taxes to proper jurisdictions
Audit Authority	N/A	Remarketers subject to audit by local governments that self administer tourist taxes only if remarketers Florida activity was limited to single county, otherwise, audit authority rests with DOR ⁷
Amnesty	N/A	Remarketer that registers with DOR to pay taxes by 7/1/04 and agrees to prospective compliance will be held harmless for any past liability for tax on the markup over the rental paid to the hotel ⁸

¹ Transient rental tax rate of 13 percent for Miami-Dade County includes: 3% Convention Development Tax; 3% Tourist Development Tax; 0.5% Charter County Transit System Surtax; 0.5% County Public Hospital Surtax; and the state 6% sales and use tax. Total transient rental taxes in the City of Miami Beach equal 14%, which include a 4% Tourist Development Tax.

² "Discounted rate" means the rate the hotel charges the remarketer for the room.

³ "Total rent" includes the total consideration a customer must pay in order to use or occupy a transient accommodation, including service charges or fees that are a condition of occupancy.

⁴ "Markup" means the difference between the total rent and the discounted rate.

⁵ If remarketer does not disclose the total rate received from the customer, the remarketer must remit to the hotel taxes on 135% of the discount rate or, if a written contract establishes a lesser maximum amount, the remarketer must collect tax from the customer on the contract maximum amount.

⁶ Pursuant to s. 212.04(1)(d), F.S., to qualify as a "travel agent" entitled to take advantage of this provision, a person would have to be a "seller of travel" as described in s. 559.927, F.S., and be registered with the Department of Agriculture & Consumer Services or be able to document an exemption from the registration requirements.

⁷ Local governments would be authorized to submit requests to DOR to investigate a company when warranted by specific information or evidence.

⁸ Rentals subject to amnesty must have been made before 7/1/04 and remarketers must apply for amnesty by 10/1/04.

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CHAMBER ACTION

SenateHouse.
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.**Senate Amendment (with title amendment)**

On page 12, between lines 27 and 28,

insert:

Section 10. Effective July 1, 2004, subsections (8), (9), (10), (11), (12), and (13) are added to section 212.03, Florida Statutes, to read:

212.03 Transient rentals tax; rate, procedure, enforcement, exemptions.--

(8) For purposes of this section and ss. 125.0104, 125.0108, and 212.0305, the term "engaging in the business of renting, leasing, letting, or granting a license to use transient rental accommodations" includes any activity in which a person offers information about the availability of accommodations to a customer, arranges for the customer's occupancy of the accommodations, or establishes the total rental price the customer pays for the accommodations, and collects the rental payments from the customer. A person engaged in the activities described in this subsection is

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1 referred to in this section as a "remarketer".

2 (9) The terms "total rent" as used in this section,
3 "total consideration" as used in ss. 125.0104 and 125.0108,
4 and "consideration" as used in s. 212.0305 have the same
5 meaning. The terms include the total consideration a customer
6 must pay in order to use or occupy a transient accommodation,
7 including service charges or fees that are a condition of
8 occupancy, except for mandatory fees imposed for the
9 availability of communications services. Charges or fees paid
10 by a customer to the person collecting the rent or
11 consideration as a condition of occupancy are included in the
12 taxable rent or consideration even if the charges or fees are
13 separately itemized on the customer's bill or are for items or
14 services provided by a third party. Charges for items or
15 services provided to occupants of transient accommodations
16 which are not intrinsic to occupancy of the accommodation,
17 which are provided only upon the election of the occupant, and
18 which are separately itemized are not included in the taxable
19 rent or consideration.

20 (10) The term "discount rate" as used in this section
21 means the rate the registered owner or operator of the
22 accommodation charges the remarketer for the room.

23 (11) The term "markup" as used in this section means
24 the difference between the total rent and the discounted rate.

25 (12)(a) Remarketers shall collect taxes on the total
26 rent collected from their customers. A remarketer may elect to
27 remit the taxes as provided in paragraph (b) or in paragraph
28 (c). A remarketer must remit all taxes collected under this
29 section in the same manner.

30 (b)1. A remarketer may elect to remit under a
31 dual-remittance system. The remarketer electing this method

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1 must register with the department as a dealer for purposes of
2 this chapter. The remarketer must remit to the owner or
3 operator of any transient rental accommodations occupied by a
4 customer of the remarketer the taxes due under chapter 125 and
5 under this chapter on the discount rate at the time of payment
6 of that rate to the owner or operator. The owner or operator
7 shall report and remit the total taxes received from the
8 remarketer with the next return due after the month in which
9 the owner or operator receives payment from the remarketer.
10 The remarketer must report and remit to the department the
11 taxes due under chapter 125 and under this chapter on the
12 markup. The taxes must be reported on and remitted with the
13 first return due from the remarketer after the month in which
14 the customer pays the rental to the remarketer.

15 2. The remarketer must provide a copy of its dealer
16 registration certificate to the owner or operator of any
17 transient rental accommodations with which the remarketer has
18 entered a contractual remarketing arrangement to evidence its
19 election to remit taxes directly to the department on the
20 markup. If a remarketer that has a contractual remarketing
21 arrangement with the owner or operator does not provide the
22 certificate, the owner or operator shall collect and remit
23 taxes under the single-remittance system described in
24 paragraph (c), unless the remarketer provides the
25 documentation described in paragraph (d) concerning use of
26 transient accommodations as components of vacation packages.

27 (c) A remarketer may elect to remit under a
28 single-remittance system. The remarketer electing this method
29 must disclose to the owner or operator of the transient rental
30 accommodations the total rental paid by the remarketer's
31 customer and remit the taxes on the total rental to the owner

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1 or operator with the payment of the discount rate. If the
2 remarketer does not disclose the total rental received from
3 the customer, the remarketer shall remit to the owner or
4 operator taxes on 135 percent of the discount rate or, if a
5 written contract between the remarketer and the owner or
6 operator establishes a lesser maximum amount, the remarketer
7 may charge as total rental to the customer tax on the maximum
8 amount. The owner or operator shall report and remit the total
9 taxes received from the remarketer with the next return due
10 after the month in which the owner or operator receives the
11 payment. The owner or operator is not liable for any tax,
12 penalty, or interest due if the remarketer fails to accurately
13 report and remit the taxes imposed by this section or by ss.
14 125.0104, 125.0108, and 212.0305. The owner or operator must
15 maintain in its records the information provided by the
16 remarketer for the period of time for which the return in
17 which that information is reflected is subject to audit by the
18 department.

19 (d) If a remarketer is a travel agent within the
20 meaning of s. 212.04(1)(d), the remarketer may treat transient
21 accommodations as component parts of vacation packages when
22 the requirements of that provision are met. A remarketer that
23 operates under a single-remittance system may furnish a copy
24 of the remarketer's certificate of registration as a seller of
25 travel or letter of exemption from registration as a seller of
26 travel to the owner or operator of accommodations that are
27 incorporated as component parts of vacation packages to
28 establish that the accommodations are not subject to the
29 disclosure and tax collection requirements of paragraph (c).

30 (e) The owner or operator of transient accommodations
31 has no obligation to inquire whether a person that rents

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1 transient accommodations is acting as a remarketer in regard
2 to those accommodations. The obligations imposed on an owner
3 or operator by this subsection arise only if there is a
4 contractual remarketing arrangement between the owner or
5 operator and the person that rents transient accommodation
6 from the owner or operator.

7 (13)(a)1. The department shall administer, collect,
8 and enforce all taxes remitted by remarketers on the markup
9 under a dual-remittance system, including interest and
10 penalties attributable thereto, regardless of whether the
11 taxes are imposed under this chapter or chapter 125.
12 Notwithstanding any election made by a county to
13 self-administer local taxes under chapter 125 or s. 212.0305,
14 each remarketer obligated to collect and remit one or more
15 local taxes on transient accommodations imposed under chapter
16 125 or s. 212.0305 under a dual remittance system shall
17 separately report and identify each tax to the department, by
18 jurisdiction, on a form prescribed by the department, and
19 shall pay the taxes to the department. A remarketer may
20 include in a single payment to the department the total amount
21 of all state and local taxes on the markup on transient
22 rentals imposed under this chapter and chapter 125.

23 2. The department shall keep records showing the
24 amount of taxes collected, which records shall also include
25 records disclosing the amount of taxes collected for each
26 county in which the tax authorized by this section is
27 applicable. These records shall be open for inspection during
28 the regular office hours of the department, subject to s.
29 213.053. Proceeds received by the department from the taxes,
30 less costs of administration of this section, shall be paid
31 and returned monthly to the county that imposed the tax, for

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1 use by the county according to the section under which the tax
2 was imposed. The proceeds shall be paid to the county in the
3 month after which they are received by the department in the
4 same manner as other taxes imposed under chapter 125 which are
5 administered by the department. For purposes of this section,
6 the proceeds of any tax levied by a county under chapter 125
7 or s. 212.0305 are all funds collected and received by the
8 department under a specific levy authorized by this chapter or
9 section, including any interest and penalties attributable to
10 the tax levy.

11 (b) Audits performed by the department shall include a
12 determination of whether the rates collected for applicable
13 local tourist development taxes, tourist impact taxes, and
14 convention development taxes are correct. A person or entity
15 designated by a county to receive information from the
16 department under s. 213.0535 may provide evidence to the
17 department demonstrating a specific person's failure to fully
18 or correctly report taxable remarketing activities within the
19 jurisdiction, including evidence discovered in a county's
20 audit of a transient rental owner or operator under chapter
21 125 or s. 212.0305. The department may request additional
22 information from the designee to assist in any review. The
23 department shall inform the designee of what action, if any,
24 the department intends to take regarding the person.

25 (c) Notwithstanding paragraph (a), if a remarketer
26 engages in remarketing activities solely in regard to
27 transient accommodations located within a single county in the
28 state and that county self-administers tourist development or
29 tourist impact taxes imposed under chapter 125 or convention
30 development taxes imposed under s. 212.0305, that county may
31 perform an audit of the remarketer with respect to the

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1 remarketing activity, unless the department is conducting an
2 audit of the remarketer's compliance with this chapter for the
3 same period.

4 1. Prior to the exercise of this authority, and for
5 purposes of determining whether a remarketer operates solely
6 within one county, a county may presume the localized
7 operation if the remarketer reports remarketing activity in a
8 single county. Upon notice by the county to the department of
9 an intent to audit a dealer, the department shall notify the
10 county within 60 days if the department has issued a notice of
11 intent to audit the remarketer, or it shall notify the
12 remarketer of the county's request to audit.

13 2. The remarketer may, within 30 days, rebut the
14 single-county-operation presumption by providing evidence to
15 the department that it engages in remarketing activity in more
16 than one county in the state.

17 3. If, during the course of an audit conducted under
18 this paragraph, a county determines that a remarketer was
19 engaged in remarketing activity in regard to transient
20 accommodations located in any other county in the state during
21 the period under audit, the county shall terminate the audit
22 and notify the department of its findings.

23 4. Counties conducting audits are bound by department
24 rules and technical assistance advisements issued during the
25 course of an audit conducted under this paragraph. Counties
26 conducting audits under this paragraph, or taxpayers being
27 audited under this paragraph, may request the department to
28 issue a technical assistance advisement under s. 213.22
29 regarding a pending audit issue. If the department is
30 requested to issue a technical assistance advisement, it shall
31 notify the affected county or taxpayer of the technical

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1 assistance request.

2 5. The review, protest, and collection of amounts due
3 under chapter 125 or s. 212.0305 as the result of an audit
4 performed by a county are the responsibility of the county.

5 6. The fee or any portion of a fee for audits
6 conducted on behalf of a county under this paragraph may not
7 be based upon the amount assessed or collected as a result of
8 the audit, and a determination based upon an audit conducted
9 in violation of this prohibition is valid.

10 7. All audits performed under this paragraph shall be
11 conducted according to the standards adopted by the American
12 Institute of Certified Public Accountants, the Institute of
13 Internal Auditors, or the Comptroller General of the United
14 States insofar as those standards are not inconsistent with
15 rules of the department.

16 8. The department may adopt rules for the notification
17 and determination processes established in this paragraph and
18 for the information to be provided by a county conducting an
19 audit.

20 Section 11. Subsections (8) and (9) of section 212.03,
21 Florida Statutes, as created by this act, are intended to
22 clarify existing law.

23 Section 12. Amnesty for registration and remittance of
24 tax.--

25 (1) The state shall provide an amnesty for unpaid
26 taxes, penalties, and interest imposed under chapter 125 or
27 chapter 212, Florida Statutes, on transient rentals if all of
28 the following requirements are satisfied:

29 (a) The rentals subject to amnesty were made before
30 July 1, 2004;

31 (b) The rental payments were collected by remarketers

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1 who are not owners, operators, or managers of the transient
2 rental accommodations or their agents;

3 (c) The remarketer who collected the rental payments
4 registers with the Department of Revenue to pay taxes on
5 transient rentals on or before July 1, 2004; and

6 (d) The remarketer who collected the rental payments
7 applies for amnesty within 3 months after July 1, 2004, under
8 rules of the Department of Revenue.

9 (2) The amnesty is not available for taxes, penalties,
10 or interest that have been assessed if the assessment is final
11 and has not been timely challenged, or for any taxes,
12 penalties, or interest that have been paid to the department
13 unless the payment is the subject of an assessment that is not
14 final or that has been timely challenged.

15 (3) The amnesty is not available for a tax billed to,
16 or collected from, the consumer who pays for occupancy of the
17 transient rental accommodation. The amnesty applies, however,
18 to the amounts to the extent that the remarketer who collected
19 the rental payments can document that the taxes were remitted
20 to the owner or operator of the transient rental
21 accommodation.

22 (4) The executive director of the Department of
23 Revenue may adopt emergency rules under sections 120.536(1)
24 and 120.54(4), Florida Statutes, to implement the amnesty. The
25 rules may provide forms and procedures for applying for
26 amnesty, for reporting the rentals for which amnesty is
27 sought, and for ensuring the applicant's ongoing commitment to
28 registration, collection, and remittance of the taxes imposed
29 by state law on transient rentals. Notwithstanding any other
30 law to the contrary, the emergency rules shall remain
31 effective until 6 months after the date of adoption of the

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1 rule or the date of final resolution of all amnesty
2 applications filed under this section, whichever occurs later.

3 (5) This section shall take effect July 1, 2004.

4 Section 13. Effective July 1, 2004, paragraph (d) of
5 subsection (1) of section 212.04, Florida Statutes, is amended
6 to read:

7 212.04 Admissions tax; rate, procedure, enforcement.--

8 (1)

9 (d) No additional tax is due on components
10 incorporated as part of a package sold by a travel agent if
11 the package includes two or more components such as
12 admissions, transient rentals, transportation, or meals; if
13 all of the components were purchased by the travel agent from
14 other parties and any sales tax due on such purchases was
15 paid; and if there is no separate itemization of the
16 admission, transient rental, transportation, meal, or other
17 components in the sales price of the package. This paragraph
18 does not apply if the actual price charged for a component by
19 the dealer to a travel agent is less than the price charged to
20 unrelated parties under normal industry practices and the
21 dealer and the travel agent are members of the same controlled
22 group of corporations for federal income tax purposes. For
23 purposes of this paragraph, the term "travel agent" means a
24 seller of travel as defined in s. 559.927 which has registered
25 with the Department of Agriculture and Consumer Services as
26 required by s. 559.928 or obtained a letter of exemption from
27 registration from the Department of Agriculture and Consumer
28 Services under s. 559.935.

29 Section 14. Paragraph (a) of subsection (3) of section
30 212.18, Florida Statutes, is amended to read:

31 212.18 Administration of law; registration of dealers;

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1 rules.--

2 (3)(a) Every person desiring to engage in or conduct
3 business in this state as a dealer, as defined in this
4 chapter, or to lease, rent, or let or grant licenses in living
5 quarters or sleeping or housekeeping accommodations in hotels,
6 apartment houses, roominghouses, or tourist or trailer camps
7 that are subject to tax under s. 212.03, or to lease, rent, or
8 let or grant licenses in real property, as defined in this
9 chapter, and every person who sells or receives anything of
10 value by way of admissions, must file with the department an
11 application for a certificate of registration for each place
12 of business, showing the names of the persons who have
13 interests in the such business and their residences, the
14 address of the business, and such other data as the department
15 may reasonably require. However, owners and operators of
16 vending machines or newspaper rack machines are required to
17 obtain only one certificate of registration for each county in
18 which the such machines are located. Persons engaged in
19 arranging transient accommodations as remarketers described in
20 s. 212.03(8) who elect to remit taxes to the department under
21 a dual-remittance system described in s. 212.03(10) are
22 required to obtain only one certificate of registration in
23 regard to their remarketing activities in this state. The
24 department, by rule, may authorize a dealer that uses
25 independent sellers to sell its merchandise to remit tax on
26 the retail sales price charged to the ultimate consumer in
27 lieu of having the independent seller register as a dealer and
28 remit the tax. The department may appoint the county tax
29 collector as the department's agent to accept applications for
30 registrations. The application must be made to the department
31 before the person, firm, copartnership, or corporation may

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1 engage in the such business, and it must be accompanied by a
2 registration fee of \$5. However, a registration fee is not
3 required to accompany an application to engage in or conduct
4 business to make mail order sales. The department may waive
5 the registration fee for applications submitted through the
6 department's Internet registration process.

7
8 (Redesignate subsequent sections.)
9

10
11 ===== T I T L E A M E N D M E N T =====

12 And the title is amended as follows:

13 On page 2, line 2, after the semicolon,
14

15 insert:

16 amending s. 212.03, F.S.; clarifying the
17 meaning of the term "engaging in the business
18 of renting, leasing, letting, or granting a
19 license to use transient rental accommodations"
20 for taxation purposes to include certain
21 remarketing activities; expanding the
22 definition of the term "taxable rent or
23 consideration" to include charges or fees paid
24 by a customer to a person collecting the rent
25 or consideration as a condition of occupancy of
26 a transient rental; requiring persons engaged
27 in certain remarketing activities regarding
28 transient rental accommodations to collect
29 taxes on total rentals, providing alternate
30 methods for remitting the taxes to the
31 Department of Revenue; providing for

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1 incorporating transient rentals into vacation
2 packages; providing for administration by the
3 department of taxes remitted by remarketers;
4 providing for a local audit under certain
5 circumstances; providing that specified
6 subsections are intended to clarify existing
7 law; providing intent; providing an amnesty for
8 unpaid taxes, penalties, and interest on
9 transient rentals under certain circumstances;
10 providing for the adoption of emergency rules
11 to implement the amnesty; amending s. 212.04,
12 F.S.; requiring travel agents to be registered
13 as a seller of travel; providing for
14 recordkeeping; amending s. 212.18, F.S.;
15 requiring only a single registration for
16 transient rental remarketers;
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